

**Texas Department of Insurance, Division of Workers' Compensation**

Medical Fee Dispute Resolution, MS-48

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1609

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION**PART I: GENERAL INFORMATION**

Requestor's Name and Address:	MFDR Tracking #:	M4-09-9504-01
COMPREHENSIVE PAIN MANAGEMENT 5734 SPOHN DRIVE STE A CORPUS CHRISTI, TX 78414		
Respondent Name and Box #: 54		
TEXAS MUTUAL INSURANCE CO		

PART II: REQUESTOR'S POSITION SUMMARY AND PRINCIPLE DOCUMENTATION

Requestor's Position Summary: "Physician saw the patient for an office visit for his compensable injury. According to TWCC Fast Facts, if the injury is compensable, the carrier is liable for all reasonable and necessary medical costs of health care to treat the compensable injury. Per adjustor, compensable injury is lumbar. Diagnosis clearly related to compensable injury. Procedure code J2278 is not a bundled code."

Principle Documentation:

1. DWC 60 package
2. Total Amount Sought - \$1,626.50
3. CMS 1500s
4. EOBs

PART III: RESPONDENT'S POSITION SUMMARY AND PRINCIPLE DOCUMENTATION

Respondent's Position Summary: "This dispute involves Texas Mutual's denial of payment of code J2278 billed for date of service 2/11/09. The requestor billed \$4,000.00; Texas Mutual paid \$0.00. The requestor believes it is entitled to \$1,626.50. The requestor billed HCPCS code J2278 for refill of an implanted pain pump with the drug Prialt. Texas Mutual believes the requestor ought to have used code J7799-KD per Medicare's payment policy in 2005. The requestor has submitted information that appears to indicate a change in Medicare's payment policy in 2005. The requestor has submitted information that appears to indicate a change in Medicare's policy regarding the billing code to use with non-compounded drugs in implanted pain pumps. However, as of January 2009 Medicare still lists Prialt as a compounded drug in its Compounded Drug Fee Schedule..."

Principle Documentation:

1. Response to DWC 60
2. Medicare Publication January/2009

PART IV: SUMMARY OF FINDINGS

Eligible Dates of Service (DOS)	CPT Codes and Calculations	Part V Reference	Amount Ordered
2/11/09	J2278 N/A	1 thru 8	\$0.00
Total:			\$0.00

PART V: REVIEW OF SUMMARY, METHODOLOGY AND EXPLANATION

Texas Labor Code Section 413.011 (a-d), titled *Reimbursement Policies and Guidelines*, and 28 TAC Section 134.203, titled *Medical Fee Guideline for Professional Services*. The Guideline shall be effective for professional medical services provided on or after March 1, 2008.

1. These services were denied by the Respondent with reason code "CAC-16 claim/service lacks information which is needed for adjudication. At least one remark code must be provided (may be comprised of either the remittance advice remark code or NCPDP reject reason code) ", "225-the submitted documentation does not support the service being billed. We will re-evaluate this upon receipt of clarifying information", "CAC-B22-this payment is adjusted based on the diagnosis", "CAC-W4- no additional reimbursement allowed after review of appeal/reconsideration" "432-a comprehensive CCI code has been paid on a bill in permanent history that should have been bundled" and "891-the insurance company is reducing or denying payment after reconsideration."
2. The Provider submitted a bill with Healthcare Common Procedure Coding System (HCPCS) code J2278. The Provider's documentation that was submitted for review states that the injured worker was seen for a refill of implantable pain pump medication, Prialt.
3. The Carrier submitted a Medicare publication with their response in regard to this dispute which explains billing for compounded drugs in implantable infusion pumps. The Provider also submitted the same Medicare publication which lists the drug Prialt as a compounded drug. A phone call with the Provider contact, Jean Young who explained that the drug Prialt, used for implantable pain pumps is not a compounded drug.
4. The Medicare publication dated January/2009 states effective immediately, compounded drugs used in an implantable infusion pump must be billed using code J7799KD. The publication also states that this includes **single** drug and multiple drug combinations and must be billed on a separate detail line of the claim from other J7799KD pain management drugs. The name of the drug(s) and dosages(s) administered into the pump must be indicated in Item 19 of the CMS-1500 claim form or the electronic equivalent of the claim. The Provider billed with HCPCS code J2278 and did not indicate the name of the drug in Box 19 on the CMS-1500.
5. Although the Provider contact Jean Young stated that Prialt is not a compounded drug it is listed on the Medicare publication as compounded.
6. 28 TAC Section 134.500(a)(1) lists the definition of a compounded drug as follows: Compounding--The combining of a drug with one or more drugs or substances (other than water) as a result of a prescription. The documentation submitted by the Provider also indicates that another drug, Baclofen was given which was billed separately and paid by the Carrier.
7. 28 TAC Section 134.203(a)(5) states, "Medicare payment policies" when used in this section, shall mean reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies as set forth in the Centers for Medicare and Medicaid Services (CMS) payment policies specific to Medicare.
8. Therefore, payment cannot be recommended.

PART VI: GENERAL PAYMENT POLICIES/REFERENCES

Texas Labor Code Section. 413.011(a-d), Section. 413.031 and Section. 413.0311
28 Texas Administrative Code Section. 134.1, 134.203 and 134.500
Texas Government Code, Chapter 2001, Subchapter G

PART VII: DIVISION DECISION

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Section 413.031, the Division has determined that the Requestor is not entitled to reimbursement for the services involved in this dispute.

DECISION:

Authorized Signature

Auditor
Medical Fee Dispute Resolution

8/26/09
Date

PART VIII: YOUR RIGHT TO REQUEST AN APPEAL

Either party to this medical fee dispute has a right to request an appeal. A request for hearing must be in writing and it must be received by the DWC Chief Clerk of Proceedings within **20** (twenty) days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. **Please include a copy of the Medical Fee Dispute Resolution Findings and Decision** together with other required information specified in Division Rule 148.3(c).

Under Texas Labor Code Section 413.0311, your appeal will be handled by a Division hearing under Title 28 Texas Administrative Code Chapter 142 Rules if the total amount sought does not exceed \$2,000. If the total amount sought exceeds \$2,000, a hearing will be conducted by the State Office of Administrative Hearings under Texas Labor Code Section 413.031.

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.